

Fund Administrator: Franklin Templeton International Services S.à r.l.
 Administrator Code: PJM07.1AFIASMDLUX0037
 Fund: Fondul Proprietatea SA
 Fund Code: PJR09FIAIR/400018
 Reporting date: 31.12.2023

Statement of Assets and Liabilities of Fondul Proprietatea SA and the Net Asset Value calculation according with the FSA Regulations No. 9/2014 and No. 7/2020, as subsequently amended

	RON
1. Intangible assets	0.00
2. Tangible assets	0.00
3. Real estate investments	0.00
4. Biological assets	0.00
5. Assets representing rights to use the underlying assets in a leasing contract	0.00
6. Financial assets	2,224,971,677.81
6.1. Financial assets at amortised cost	0.00
6.2. Financial assets at fair value through profit or loss, <i>out of which:</i>	2,224,971,677.81
6.2.1. Shares traded or listed on regulated markets in Romania*	125,333,174.29
6.2.2. Shares admitted or traded on a regulated market from a member state	0.00
6.2.3. Shares traded or listed on regulated markets from a non-EU Member State	0.00
6.2.4. Shares issued by Romanian companies not admitted to trading	2,099,638,503.52
6.2.5. Bonds admitted to trading issued or guaranteed by central government authorities	0.00
6.2.6. Municipal bonds	0.00
6.2.7. Corporative bonds	0.00
6.2.8. Treasury bills	0.00
6.2.9. Newly issued securities	0.00
6.2.10. Participation titles of UCITS and/or of OCIU/AIF	0.00
6.2.11. Equity titles	0.00
6.2.12. Derivates	0.00
6.2.13. Other financial assets	0.00
6.3. Financial assets at fair value through other comprehensive income	0.00
7. Cash (cash and cash equivalents)	546,127,016.32
8. Bank deposits	191,368,977.8100
9. Other assets	1,457,676.83
9.1. Dividends and other receivable rights	0.00
9.2. Other assets	1,457,676.83
10. Prepaid expenses	0.00
11. Total Assets	2,963,925,348.77

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12. Total liabilities	613,786,861.26
12.1. Financial liabilities at amortised cost	569,410,513.85
12.2. Deferred tax liability	0.00
12.3. Other debts	44,376,347.41
13. Provisions for risks and charges	0.00
14. Deferred income	0.00
15. Shareholders' equity, out of which:	2,350,138,487.51
15.1. Share capital	2,947,779,186.56
15.2. Elements similar to share capital	0.00
15.3. Other elements of shareholders' equity	0.00
15.4. Share capital premiums	0.00
15.5. Revaluation differences	0.01
15.6. Reserves	646,805,768.60
15.7. Treasury shares	-1,873,193,280.09
15.8. Retained earnings	1,524,884,702.52
15.9. Period result	-896,137,890.09
16. Net Asset Value	2,350,138,487.51
17. Number of issued shares**	3,556,427,239
18. Net asset value per share	0.6608
19. Number of portfolio companies out of which:	25
19.1 Companies admitted to trading on an EU market	5
19.2 Companies admitted to trading on a non-EU market	0
19.3 Companies not admitted to trading	20

Legend:

* = Include also the value of holdings admitted to trading on AeRo market (alternative regulated market)

** = Represents the number of paid issued shares excluding treasury shares and repurchased own shares related to the global depositary receipts or certificates of interest of own shares, according with FSA Regulation no. 7/2020, as subsequently amended.

Leverage of the fund

Method type	Leverage level	Exposure amount
a) Gross method	94.67%	2,224,976,689.21
b) Commitment method	100.00%	2,350,138,487.51

Franklin Templeton International Services S.à r.l., in its capacity of alternative investment fund manager of Fondul Proprietatea SA

Johan Meyer
Permanent representative

Marius Nechifor
Compliance Officer

BRD Groupe Societe Generale
Victor Strâmbei
Manager Depositary Department

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Annex - Valuation methods used for the securities and the monetary market instruments held by Fondul Proprietatea S.A. (31 December 2023)

Listed shares

	Name	Symbol	Valuation method
1	Alcom SA	ALCQ	Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
2	Alro Slatina SA	ALR	Closing Price
3	IOR SA	IORB	Reference price (Closing Price)
4	Mecon SA	MECP	Value based on the valuation report as at 30 June 2023 (applying the asset-based approach)
5	Romaero SA	RORX	Value based on the valuation report as at 30 June 2023 (applying the income approach using the discounted cash flow method)

Unlisted shares

	Name	Symbol	Valuation method
1	Aeroportul International Mihail Kogalniceanu - Constanta SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
2	Aeroportul International Timisoara - Traian Vuia SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
3	CN Administratia Canalelor Navigabile SA		Value based on the valuation report as at 31 October 2023 (applying the market comparison technique using comparable trading multiples for EBITDA)
4	CN Administratia Porturilor Dunarii Fluviale SA		Value based on the valuation report as at 31 October 2023 (applying the market comparison technique using comparable trading multiples for EBITDA)
5	CN Administratia Porturilor Dunarii Maritime SA		Value based on the valuation report as at 31 October 2023 (applying the market comparison technique using comparable trading multiples for EBITDA)
6	CN Administratia Porturilor Maritime SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
7	CN Aeroporturi Bucuresti SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
8	Complexul Energetic Oltenia SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
9	Engie Romania SA		Fair value/ share (SPA Price)

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	Name	Symbol	Valuation method
10	Plafar SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
11	Posta Romana SA		Value based on the valuation report as at 31 October 2023 (applying the market comparison technique using comparable trading multiples for Price/Earnings)
12	Societatea Nationala a Sarii SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)
13	Societatea Electrocentrale Craiova SA		Value based on the valuation report as at 31 October 2023 (applying the market comparison technique using comparable trading multiples for EV/Revenue)
14	World Trade Hotel SA		Priced at zero (lack of annual financial statements for the last 10 financial years including the financial statements for the year-ended 31 December 2022; last available financial statements are those for the year-ended 31 December 2012)
15	Zirom SA		Value based on the valuation report as at 31 October 2023 (applying the income approach using the discounted cash flow method)

Shares of companies in insolvency/ judicial reorganization/liquidation/dissolution/ bankruptcy

	Name	Symbol	Valuation method
1	Gerovital Cosmetics SA		Valued at zero (bankruptcy)
2	Romplumb SA		Valued at zero (bankruptcy)
3	Salubriserv SA		Valued at zero (bankruptcy)
4	Simtex SA		Valued at zero (judicial reorganisation)
5	World Trade Center Bucuresti SA		Valued at zero (insolvency)

Bank deposits

Name	Symbol	Valuation method
Bank deposits		Bank deposit amount cumulated with the accrued interest receivable calculated for the period elapsed from its starting date

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Annex – Changes in the valuation methods used for the computation of the NAV of Fondul Proprietatea as of 31 December 2023

Valuation of unlisted portfolio holdings and valuation of Alcom SA

For the following unlisted companies and also Alcom SA the valuation method remained the same at 31 December 2023, respectively Fair value / share (Value based on valuation report), however the valuation report was updated with the assistance of independent valuers.

The total impact of the valuation update on the Fund’s NAV resulted in a net increase of **RON 147,199,452** and the most significant holdings are detailed in the table below:

Company	Previous value per share (RON/share)	Previous value of the holding (RON)	Current value per share (RON/share)	Current value of the holding (RON)	Impact of the valuation update on NAV (RON)	Impact of the valuation change on NAV %
CN Aeroporturi Bucuresti SA	287.9904	828,099,979	305.2399	877,699,933	49,599,954	1.50%
Societatea Nationala a Sarii SA	147.7536	297,199,865	158.2932	318,399,806	21,199,941	0.64%
CN Administratia Porturilor Maritime SA	48.4362	313,199,415	50.7715	328,299,993	15,100,577	0.46%
Complexul Energetic Oltenia SA	-	-	12.1935	64,799,660	64,799,660	1.95%
<i>Other portfolio companies</i>		91,395,497		87,894,815	(3,500,681)	-0.11%
TOTAL		1,529,894,757		1,677,094,210	147,199,452	4.44%

Valuation of Mecon SA and Romaero SA

Based on a company liquidity analysis and also considering the new size of the Fund following Hidroelectrica IPO, the Fund decided to prepare valuation reports for the two companies. As such, the valuation method for Mecon SA changed from Fair value (Last trading price) to Fair value / share (Value based on valuation report) and the valuation method for Romaero SA changed from Reference price (Closing Price) to Fair value / share (Value based on valuation report).

The total impact of the valuation update on the Fund’s NAV resulted in a net decrease of **RON 25,097,554** as detailed in the table below:

Company	Previous value per share (RON/share)	Previous value of the holding (RON)	Current value per share (RON/share)	Current value of the holding (RON)	Impact of the valuation update on NAV (RON)	Impact of the valuation change on NAV %
Romaero SA	20.2000	26,496,158	-	-	(26,496,158)	-0.80%
Mecon SA	16.5000	990,891	39.7891	2,389,494	1,398,603	0.04%
TOTAL		27,487,049		2,389,494	(25,097,554)	-0.76%

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Engie SA

For the computation of the NAV of Fondul Proprietatea SA as of 31 December 2023, the valuation method used for the valuation of the holding mentioned above has been updated from Fair value/ share (Binding offer received) to Fair value/ share (SPA Price) as on 22 December 2023, the Fund, as seller, and GDF International S.A., as purchaser, entered into an agreement for the sale of the entire shareholding in Engie Romania S.A. in exchange for a total consideration of **RON 432,616,167**. The value remained the same as per previous valuation.

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Senior Compliance Officer

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